

HRMN User Guide

Manager City Wage Tax Exemption Request

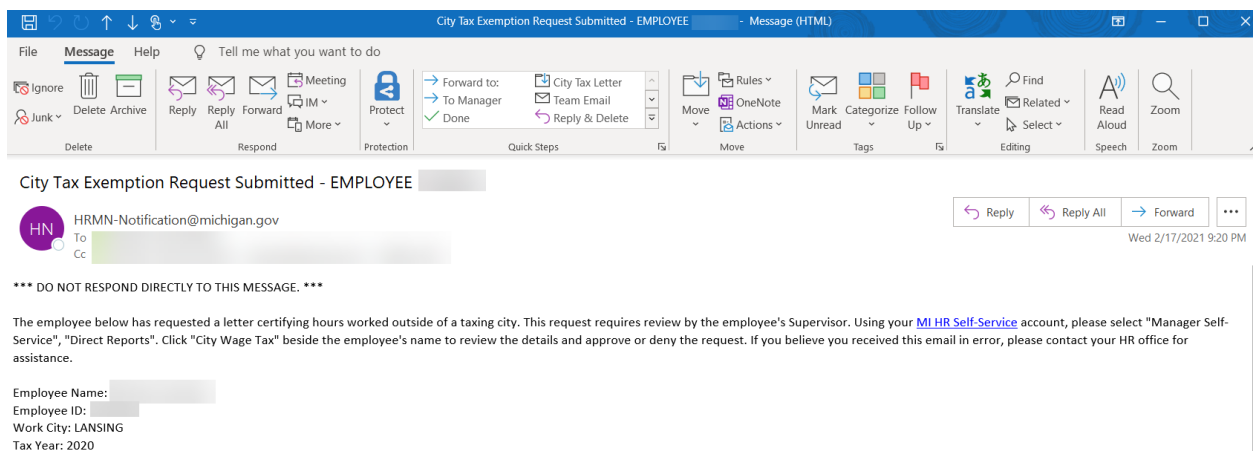
If an employee has worked less than 100% of the calendar year in a taxing city, they are often required by that city to provide a letter of support from their employer and file it with their tax return.

In the past this has been handled by the HR Office, however, with the COVID-19 pandemic and work from home order, the process has been automated and should now be completed by the employee and manager via HR-Self-Service.

This user guide provides steps to complete a direct report's City Wage Tax Exemption request letter via [HR Self-Service](#). You will receive an email once the request has been made by the employee and manager review is needed.

If the employee's taxing work city and taxing resident city locations are the same (e.g., Work City=Lansing, Resident City=Lansing), the employee does not qualify for the City Wage Tax Exemption Letter process. This is determined by what is listed in HRMN. The employee can view this in their HR Self-Service account, selecting Bookmarks tab >Employee Self-Service > Pay > Tax Withholding. If Resident appears in the Resident Status field for the taxing work city, the employee will not qualify for this process.

Step 1 - Employee completes request via HR Self-Service. An email will be sent to the employee's manager as listed in HRMN. Example of email is below.



Step 2 - Log into your HR Self-Service account by visiting the HR Gateway page at www.mi.gov/selfserv.

MCSC Home Contact MCSC MCSC Online Services MI.gov

MCSC
Michigan Civil Service Commission

State Employment
Employee Benefits
Disability Management
Rules & Regulations
Civil Service Commission
Inside Civil Service
State Board of Ethics
State Jobs
View Current Openings

MCSC

HR Gateway

Log In

EARNINGS STATEMENT
Self-Service HR
State of Michigan Learning Center
NEOGOV
PERFORM ONBOARD
TIME EARNINGS LEAVE LUNCH
Union Dues
Mobile Authorization

Get Help
Earnings Statement
HR Self-Service
State of Michigan Learning Center
NEOGOV
SIGMA (TELL)

Self-Service HR

User Name *


Password *

Login

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[Trouble Logging In?](#)

Note: If you are having problems logging into your HR Self-Service account, select HR Self-Service and click on the Password, Online Help or Browser Issues for assistance.

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 **Michigan Civil Service Commission**

[State Employment](#)
[Employee Benefits](#)
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MICSC

HR Gateway

Log In



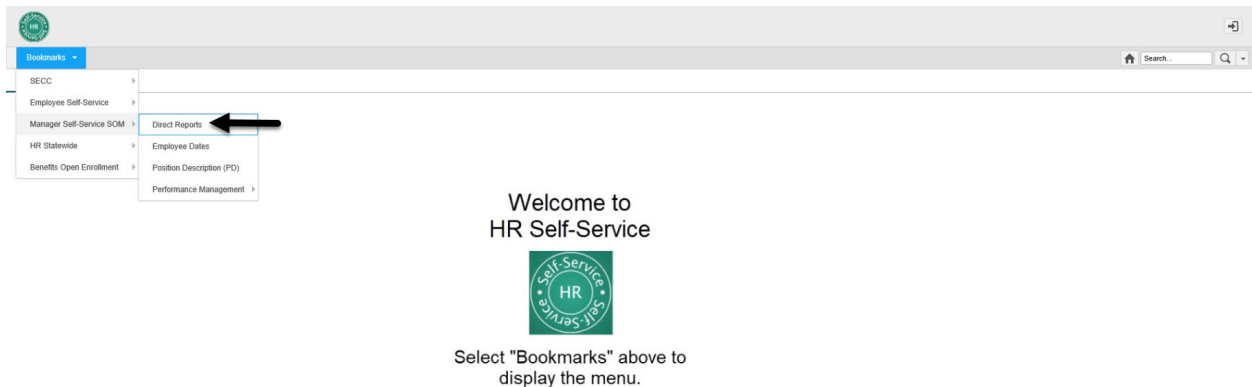
Get Help

[Earnings Statement](#)
[HR Self-Service](#) ←

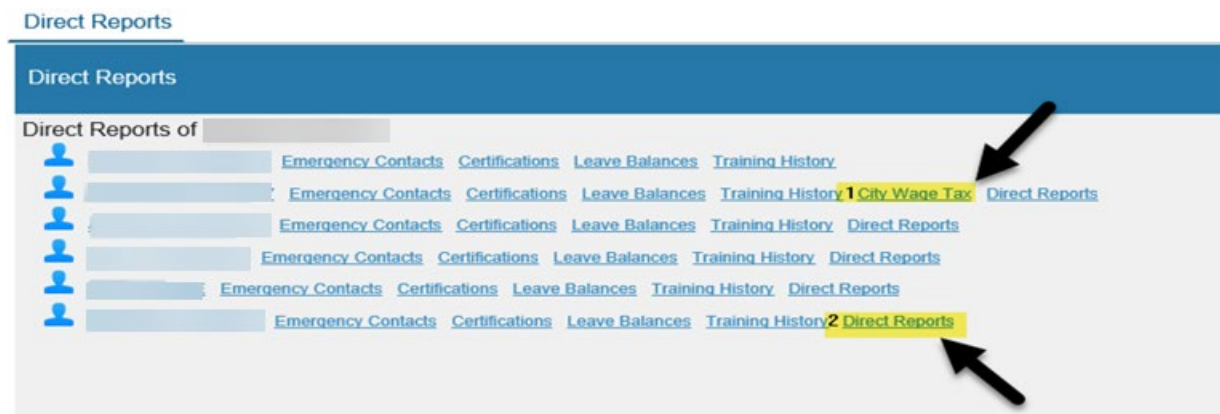
- [Password](#)
- [Online Help](#)
- [Browser Issues](#)

[State of Michigan Learning Center](#)
[NEOGOV](#)
[SIGMA \(TELL\)](#)

Step 3 - Select Bookmarks>Hover over Manager Self-Service SOM> Select Direct Reports

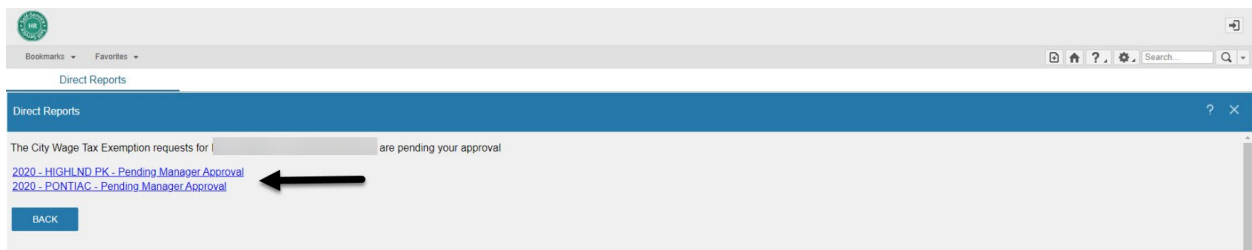


Step 4 - Select City Wage Tax.



Note: If another manager within your Direct Reports also has Direct Reports, and they are unable to complete an employee's request, you will be able to approve on behalf of the other manager(s). Select Direct Reports of that employee and City Wage Tax.

If an employee has submitted requests for multiple taxing cities, you must review each request separately.

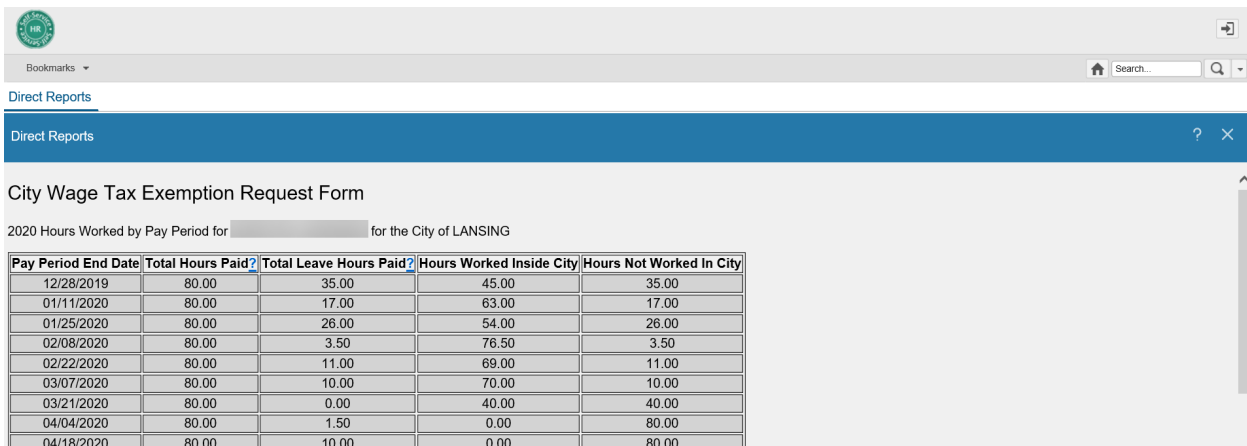


Step 5 – The City Wage Tax Exemption Request Form appears. Review the “Hours Worked Inside City” and “Hours Not Worked In City” columns as submitted by the employee. Only pay periods in which the employee was in the taxing work location will appear.

Taxpayers are advised to consult the taxing city’s income tax forms or a tax professional for specific instructions and guidance. The information below should be considered informational only and not be interpreted as tax guidance.

Generally, a nonresident who works remotely from outside a taxing city may allocate compensation between the home and taxing cities. The allocation percentage for the share of compensation subject to taxation by the taxing city is generally determined by dividing total time actually worked in the taxing city by the total paid time worked everywhere (minus paid leave and holidays). Although pay for leave and holidays is subject to taxation, pay for that time is generally excluded when determining the percentage of compensation allocated to a taxing city.

Paid leave and holidays are generally not included in calculating the wage allocation formula as time worked within a taxing city.



Pay Period End Date	Total Hours Paid?	Total Leave Hours Paid?	Hours Worked Inside City	Hours Not Worked In City
12/28/2019	80.00	35.00	45.00	35.00
01/11/2020	80.00	17.00	63.00	17.00
01/25/2020	80.00	26.00	54.00	26.00
02/08/2020	80.00	3.50	76.50	3.50
02/22/2020	80.00	11.00	69.00	11.00
03/07/2020	80.00	10.00	70.00	10.00
03/21/2020	80.00	0.00	40.00	40.00
04/04/2020	80.00	1.50	0.00	80.00
04/18/2020	80.00	10.00	0.00	80.00

Step 6 – Approve or Deny the employee request.

Approve - If you agree with the hours submitted, select Approve.

10/31/2020	80.00	6.50	0.00	80.00
11/14/2020	80.00	16.00	0.00	80.00
11/28/2020	80.00	16.00	0.00	80.00
12/12/2020	80.00	0.00	0.00	80.00

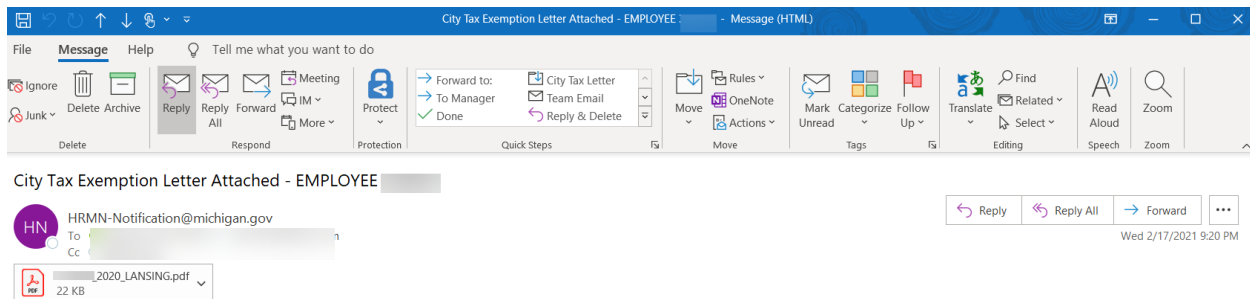
By clicking submit, I certify the changes provided by [redacted] "Hours Worked Inside City" and "Hours Not Worked In City" are correct.

APPROVE

DENY

BACK

The employee and HR Office will receive the following email approximately 20 minutes after the approval.



City Wage Tax will no longer appear for the employee name in your Direct Reports.

Deny - If you do not agree with the hours submitted, select Deny. You must enter a reason for the denial (80 maximum characters). An example of a reason you would deny an employee's request would be you do not agree with the hours submitted for a pay period(s). Include the pay period in the reason if possible.

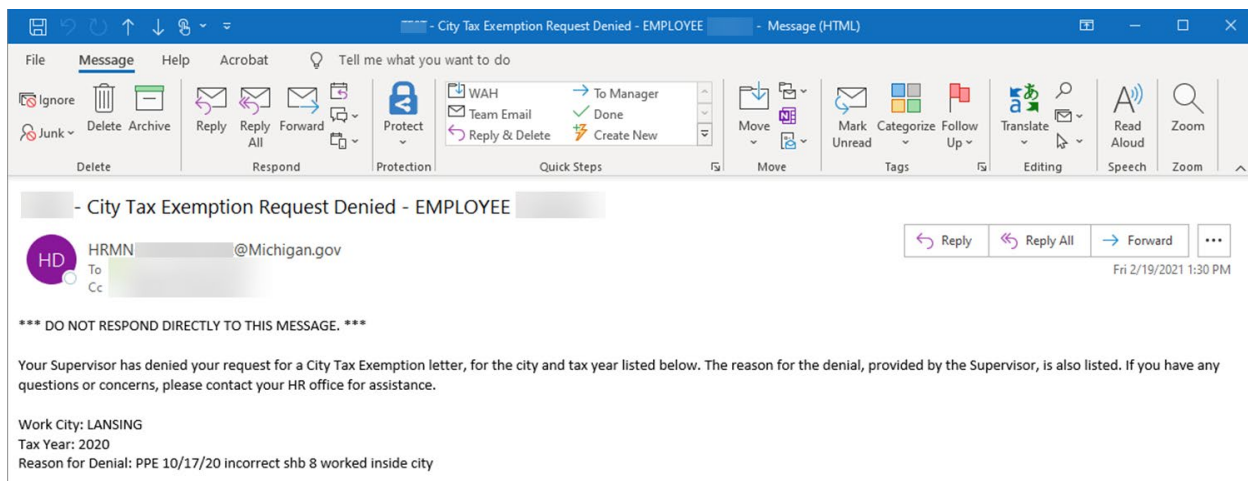
10/17/2020	80.00	6.50	0.00	80.00
10/31/2020	80.00	6.50		
11/14/2020	80.00	16.00		
11/28/2020	80.00	16.00		
12/12/2020	80.00	0.00		

state.mi.us needs some information
 Script Prompt
 Please enter the reason for denial (80 characters max)
 PPE 10/17/20 incorrect shb 8 worked inside city

By clicking submit, I certify the changes provided by _____, "Hours Worked Inside City" and "Hours Not Worked In City" are correct.

APPROVE **DENY** BACK

The employee and HR Office will receive an email approximately 20 minutes after the denial.



City Wage Tax will no longer appear for the employee name in your Direct Reports. You and your employee will need to resolve the issue for the denial or contact the HR Office for assistance. They will need to update the process once a resolution is determined.

Step 7 – The process is complete. Below is a sample of the letter the employee will receive with your name and department.



02/17/2021



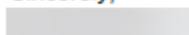
Dear [REDACTED]:

This letter is to certify a portion of your duties were performed outside the city limits of LANSING.

The hours have been determined based on information from the payroll system and certified by your manager, during the 2020 tax year.

Actual number of hours paid by this employer:	2000.00
Vacation, holiday, sick hours, etc:	164.00
Actual number of hours worked in LANSING:	436.00

Sincerely,



Civil Service Commission

- Actual number of hours paid by this employer = total hours the employee was paid for the entire year, no matter the work location.
- Vacation, holiday, sick hours, etc. = leave hours reported by the employee while in the specified work location.
- Actual number of hours worked in LANSING = total of the hours approved and listed as 'Hours Worked Inside City' in the initial request.

If you have any questions with the City Wage Tax Exemption process, you may send an email to MCSC-CityTax@michigan.gov.

Date Reviewed:	02/23/2021	Content Owner:	Holly Hibbard
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